

AMEND Senate Bill No. 2520*

House Bill No. 2485

By deleting all language after the enacting clause and substituting the following:

Section I. Tennessee Code Annotated §33-2-504 is amended by designating the existing language as subsection (a) and adding the following as new subsections:

- (b) The department shall assess in writing the fiscal impact on licensees under this part of any change to any rule, regulation, policy or guideline relating to the staffing, physical plant or operating procedures of such licensee. The department's estimate of fiscal impact shall be transmitted to the comptroller of the treasury for consideration in the determination of reasonable and allowable costs for such licensees.
- (c) The provisions of subsection (b) shall only apply to any rule, regulation, policy or guideline which affects members of a class created by a settlement agreement to which the department is a party or a class certified by court order.

Section 2. Tennessee Code Annotated Title 33 Chapter 2 is amended by adding a new Section to read as follows:

Section ___. Payment by the department to licensees under this chapter, will be based upon a consideration of the reasonable, allowable prospective cost, including the capital and training cost, which will be incurred during the contract term by an efficiently and economically operated provider, and may be adjusted during the term of the

40000000

016775

40000000 - 1 - *01677557*

AMEND Senate Bill No. 2520*

House Bill No. 2485

licensees' agreements with the department pursuant to §33-2-504(b). The rates to be paid to licensees will be adopted by the department in consultation with the Community Rehabilitation Agencies of Tennessee and will be based upon recommendations of the comptroller of the treasury regarding which costs are reasonable and allowable as determined in accordance with regulations adopted by the comptroller.

Section 3. This act shall take effect upon becoming a law, the public welfare requiring it.

016775

40000000 - 2 - *01677557*